

Portal Authority Board of Directors

MINUTES

Portal Authority Board of Directors Monthly Meeting

June 2, 2005

1:30 p.m. – 4:00 p.m.

Legislative Services Building

200 E. 14th Ave.

Hearing Room A, 1st Floor

Denver, CO

I. Call to Order: 1:35 p.m., Donetta Davidson, Chair **A. Roll Call**

Chair Donetta Davidson introduced John Picanso, State CIO. John Picanso is the new ex-officio member of the SIPA Board of Directors.

Attendees: Arrowsmith, Rep. Cadman, Cooke, Davidson, Feingold, Jenik, Sen. May, Picanso, Williams, T.

Excused: Sen. Groff, Marroney, Sobanet, Wells

Notes transcribed by Angie Onorofskie, Statewide Internet Portal Authority

Quorum Established

Introduction of Audience – a sign in sheet was circulated around the room.

ACTION ITEM: Angie Onorofskie will create a sign-in sheet for audience members for future meetings.

B. Approval of May 5 and May 11, 2005 Minutes

Chair Donetta Davidson called for a motion to approve the May 5 and May 11, 2005 Minutes.

Legal Counsel sent a few corrections to the minutes to Angie Onorofskie via e-mail.

Michael Cooke pointed out that she was listed as both present and excused at the May 11 meeting.

MOTION: to approve the May 5 and May 11, 2005 Minutes assuming the changes from Legal Counsel and Michael Cooke would be incorporated.

Cooke/Williams, T.

APPROVED UNANIMOUSLY

II. Report from the Interim CEO, Gregg Rippy

A. Integrator Contract Status

Gregg Rippy reported that the NIC contract is complete. He stated that a lot of hard work was put into the contract, and it is a good win-win agreement. The contract is very dynamic and allows for change as needed. Colorado Interactive will present to the Board during New Business.

B. IV&V Report

SysTest will give a report during New Business.

C. SIPA Connection

The SIPA office has created the SIPA Connection, which is a newsletter to keep Board members informed between monthly meetings. Gregg Rippy asked the Board if there is anything additional they would like to see in the Connection. He also asked if the Board would like to see the SIPA Connection circulated outside of the Board of Directors.

Discussion:

Jack Arrowsmith asked Gregg Rippy where the vision for the SIPA Connection was directed.

Gregg Rippy responded that the vision was to keep it short so that the Board could quickly be updated. It was directed specifically to the Board.

Donetta Davidson stated that the SIPA Connection provides a great opportunity to keep cities, counties and CIO's informed as well.

Bob Feingold suggested that the SIPA Connection be posted to the eRoom and the SIPA website to maintain open communication.

Donetta Davidson stated that the Connection would keep those who are interested updated, and she agrees that it should be posted to the eRoom and website.

ACTION ITEM: Angie Onorofskie will post the SIPA Connection in the eRoom and on the SIPA website.

D. Business Processes

Gregg Rippy gave a list of first pass business processes for the SIPA office. A further update will be given at the July meeting.

Discussion:

Donetta Davidson would like to see a monthly financial report.

Gregg Rippy stated that he is going to work with the Finance Committee to get an annual budget.

E. Upcoming Communication Activities

The Digital Government Summit is coming up next Monday, June 6. Mr. Rippy stated that this would give SIPA a good opportunity for more exposure.

On June 8, SIPA, Colorado Interactive and SysTest will be meeting with OIT to make sure that everyone is on the same page.

The CIO Forum is coming up on June 9. This is a joined meeting with CIO's, SIPA, OIT, Colorado Interactive, SysTest and IMC commissioners. Gregg Rippy stated that this is a great opportunity, as there are many fears and misconceptions about the portal. He stated that this is probably the most valuable meeting for Board members to attend. It will help to build more trust.

SIPA still owes CGAIT a follow-up meeting, and Gregg Rippy will speak with the CGAIT representative, Kevin Capp, to set up a date.

Finally, there will be a follow up Road Show for local officials in the near future.

F. Roadmap Update

The Roadmap looks the same except that the early win in June will probably be pushed back 30 days. Gregg Rippy stated that he is very excited about the Integrator, Colorado Interactive, and they are hitting the ground running.

G. Proposed Topics for Next Meeting

- Colorado Interactive Update
- SysTest Update
- Business Processes Update
- Annual Budget Update
- Communication Activities Update

Discussion:

Ron May stated that SIPA should schedule a date to officially welcome Colorado Interactive as the integrator contractor.

Greg Jenik asked Gregg Rippy if he had received any feedback from the Spring Conference in Breckenridge.

Gregg Rippy stated that he has been told that people left the presentation knowing a lot more about the portal. Many people now see it as a great opportunity. Gregg Rippy also stated that many people are worried that efficiencies will take

away their jobs. Gregg Rippy assured people that this is not the case, as he has never seen a state agency, city or county office that is overstaffed or has a lack of work.

Donetta Davidson pointed out that she had recently seen a presentation about what Hawaii has done with their portal, and they are one of NIC's customers. Donetta is very excited about what NIC has accomplished in other states.

Ron May stated that he is very nervous about getting rid of servers. He would like to have a record kept of the inventory.

Gregg Rippy stated that he understands the concern, as many people are nervous about the removal of stovepipes. However, Mr. Rippy stated again that the removal of stovepipes is not equivalent to the removal of jobs. The portal is not meant to replace jobs. Currently inefficiency is rewarded. If an agency finds savings, naturally those savings are removed from the agency. Mr. Rippy stated that perhaps we should work with the JBC on this issue.

III. Committee Reports

A. Business Committee, Michael Cooke

Michael Cooke reported that the Business Committee met with Treasury a couple of weeks ago. It was a very productive meeting, and they created a new draft. Treasury has since provided comments on the draft, and the Board will discuss the issue during Executive Session.

Discussion:

Sen. May asked Michael Cooke if she could report how many hits the SIPA website has received.

Michael Cooke responded that she does not have the exact number of hits, but the number is declining now that the contracts have been completed.

B. Financial Committee, Gregg Rippy

Gregg Rippy has asked the Finance Committee to convene to work on the Annual Budget. This will be on the agenda for the July meeting.

C. Negotiation Committee, Gregg Rippy

Gregg Rippy asked the Board how they would like to go forward with this committee, as it was originally created for the IV&V and Integrator contract negotiations. Gregg Rippy asked the Board if they would like to rename this committee the Contracts Committee, and the committee could review upcoming task orders.

Discussion:

Donetta Davidson asked if SIPA would also be using this committee for EGE (Eligible Governmental Entities) agreements.

Gregg Rippy responded that the EGE agreements would be worked between Colorado Interactive and the agencies. Colorado Interactive will soon propose a template. Mr. Rippy asked the Board if they would like a signature line on the EGEs.

The Board agreed that there should be a signature line on the EGEs to show agreement.

Donetta Davidson asked who should be the chair of this committee.

Gregg Rippy responded that the Executive Director should be the chair of the committee since it is often difficult to pull members together in a short amount of time. Gregg Rippy also pointed out that many CIO's have been helpful on this committee, and generally the Executive Director can call upon a couple of CIO's at short notice. Also, having the Executive Director as Chair of the committee will create a sense of continuity.

D. Personnel Committee, Rep. Cadman

Rep. Cadman thanked Angie Onorofskie for executing the advertising for the Executive Director position. He reported that the SIPA office has received over 70 inquiries about the position, and 13 applications have been submitted so far. The closing date for the position is June 10. Rep. Cadman will create a matrix for the committee to help guide choosing three to five candidates for interviews. Rep. Cadman also stated that there is an opening on the Personnel Committee, as Greg Jenik has resigned from the committee so that he can apply for the Executive Director position. Tambor Williams offered to join the Personnel Committee.

IV. Old Business

No discussion.

V. New Business

A. Colorado Interactive Presentation - Rich Olsen, General Manager

Rich Olsen stated to the Board that he is very excited to be here, and he is very excited to talk about the self-funded model. He is ready to move forward with the project.

1. About NIC & Colorado Interactive:

NIC

Rich Olsen stated that NIC has built and operated portals for over 14 years. It is a very lean company, and they keep costs low. NIC has the largest code library in the world, and Colorado Interactive will leverage on that as much as possible. Mr. Olsen wanted to make clear, however, that this is not a cookie cutter approach. Rather, they leverage on lessons learned from other states. Mr. Olsen showed a map of the other NIC portal locations, and he stated that the company has renewed every self-funded contract.

Colorado Interactive

Rich Olsen explained that Colorado Interactive is a subsidiary of NIC. Colorado Interactive will rely on other states for resources rather the corporate company itself. He stated that the names NIC and Colorado Interactive will go away, and people will use the name Colorado.gov. This is in an effort to avoid confusing citizens, as the actual portal is Colorado.gov.

Mr. Olsen explained that Colorado Interactive will bring in a core group of employees such as, Mark Church, from Indiana, and then they will hire locally. They are looking for good, strong employees to hire and train locally. Mr. Olsen explained that Colorado Interactive is 100 percent dedicated to e-Gov in Colorado, and they will leverage on other states.

2. Self-Funded Model and SIPA Funds:

SIPA Funds: Rich Olsen explained that the SIPA RFP (request for proposal) required three items including: e-mail, identity management, and communication/collaboration toolset. In the proposal, NIC priced these options and delivered the pass-through cost of hardware, software and support to be about \$2.7 million (SIPA Funds). These items provide no financial benefit to Colorado Interactive, and they are separate from the Self-Funded Model. Mr. Olsen explained that the Board decides whether or not to go through with these items on a task-order basis.

Discussion:

Ron May asked if any of the \$2.7 million will go to the agencies.

Rich Olsen answered that it will be a central system.

Ron May asked if departments will have to upgrade what they already have in place.

Rich Olsen answered that NIC has never executed these three items before, so it will be done on a case-by-case basis. However, he explained that there would not necessarily have to be much integration of systems.

Greg Jenik asked if it was possible to assume that e-mail would replace existing systems. In other words, he asked, if the service would be outsourced to the Portal Authority.

Rich Olsen answered yes, but the agencies will not be required to pay. Rich Olsen added that some services have a transaction fee, which is how they make money. Most of these services are business services, and businesses generally do not mind paying the fee to increase efficiency.

Tambor Williams asked if the decisions would be made jointly as to how the process works. She stated that some of these will require legislation, and SIPA would need to know that ahead of time.

Donetta Davidson added that some departments find that fees are difficult to handle. It is very important that the departments know their capabilities.

Tambor Williams stated that it would be smart to take advantage of having both Senator May and Rep. Cadman on the Board in case SIPA needs a legislative agenda item.

Sen. May asked that the agenda item be given to him prior to October rather than March or April, as it is very hard to pass a bill that late in session.

Tambor Williams added that October is even too late, as it needs to go through Henry Sobanet and the Budget Committee.

Rich Olsen stated that they are working on issues such as how to account without having TABOR implications. It is necessary to make sure that those in power agree with what is happening.

Self-Funded Model: Rich Olsen stated that the Self-Funded Model requires no tax dollars or appropriations. NIC covers all infrastructure, equipment, software and talent expenses. NIC builds and maintains new applications at no cost to agencies or departments. The funding comes from nominal transaction fees applied to a small number of commercially valuable services. Mr. Olsen explained that 80 percent of the applications have no transaction fee. His job is to make sure that the portal is financially viable.

Discussion:

Sen. May asked how the credit card issue would work.

Rich Olsen stated that they are currently working with Treasury to find the best solution.

Sen. May asked if there was proper software in place, and how the counties would be handled.

Rich Olsen answered that there is proper software in place. He stated that counties would be different because they have their own accounts. Accounting and reconciliation will be the biggest challenge.

Jack Arrowsmith stated that counties represent the state in a smaller version. Each treasurer is responsible for the appropriate movement of money.

Sen. May stated that money collected by the payment engine reduces the revenue stream, and it will cause issues with the Joint Budget Committee. Statutory Fees have to be collected, so he asked how accounting would be handled.

Legal Counsel stated that the contract sets forth how fees are set and distributed.

Rich Olsen stated that this system is very cost effective. After it is done once, it allows for rapid deployment. It is very responsive if a person has questions or problems. Rich stated that Colorado Interactive would grow and work with SIPA, and all interests are aligned.

Donetta Davidson asked what programs have worked best in other states.

Rich Olsen explained that there have been many successes, and they have even learned from the non-successes. He explained that NIC does the accounting, and they are audited each year and must be SOX-compliant. Furthermore, SysTest will audit Colorado Interactive. Rich added that he is used to presenting to the Legislature. It is an easy sell once you have good applications in place.

Rich Olsen stated that there would be a 1-800 number that goes directly to the portal. It is one-stop problem resolution. Colorado Interactive will do professional web and print design. They also serve as a consulting resource to agencies.

3. Marketing Strategy: Rich Olsen explained how marketing has been handled in the other 18 states where NIC operates portals. He stated that marketing is a very important aspect of the portal. In other states, NIC generally conducts market research, prioritizes launch of in-demand services, brand development, and market high-visibility services to key audiences.

Discussion:

Gregg Rippy clarified the term brand. He stated that the portal will not replace the branding of agencies, cities, counties, etc.

Rich Olsen agreed. He stated that Colorado Interactive would not re-brand Colorado. Rather they will link to places that already have their own brands.

Gregg Rippy added that it would be unnecessary for a city such as Fort Collins - winner of "Best of the Web" - to change their brand. Rather, the portal will provide an entrance point to that site.

Gregg Jenik asked Rich Olsen if Colorado Interactive will have its own marketing.

Rich Olsen answered yes. There is the technical side of the Colorado Interactive office, but there is also the director of marketing and project management.

Greg Jenik stated that project management and marketing are often very different skill sets.

Rich Olsen stated that generally the director of marketing and project management is one person, but he or she would have people working under him or her. The marketing director is more involved. Rich Olsen added that marketing of a portal is very different from marketing of a shoe, for example. It requires a lot of collaboration.

Jack Arrowsmith asked how all of these components would fit together and how it would work with the self-funded model.

Rich Olsen answered that the self-funded model supports a staff of 14 to 20 employees. Some of those positions will concentrate on marketing.

Donetta Davidson clarified that marketing would be included in the self-funded model.

Legal Counsel stated that in 120 days, the Annual Business Plan would make all of this very transparent.

Jack Arrowsmith asked if a specific marketing campaign would then be an additional charge.

Rich Olsen answered that often, they try to leverage on current marketing campaigns. For example, if a new service is being created that relates to a certain agency, often they will piggyback with mailings that that agency must do regardless. They also use web post cards, which are free of charge. Larger campaigns are often done separately. Rich Olsen added that most states do not spend much money on marketing because they do it in a cost effective way. For example, in Montana there are over one - billion hunting/fishing licenses issued each year. Often the portal gets free press from magazines and news sources that

are doing stories related to hunting and fishing. He also added that the agency always gets the good reputation as being the one who created the service.

4. Next Steps:

30 Days:

- Initial meetings with departments, cities and counties
- Final data center decision
- Order infrastructure
- Hire three positions
- Key funding sources
- Secure office space
- Finalize EGE agreements
- Begin logo and brand development
- Business Plan

60 Days:

- Board decision on SIPA funded task orders
- Move Colorado.gov to portal servers
- Work on new look and feel (at no cost or time commitment from departments)
- Continue working on key funding sources
- Business plan

Discussion:

Senator May asked how long it will take to move Colorado.gov to portal servers.

Rich Olsen answered that it doesn't take long.

Senator May asked if it would be a good timeframe for the big bang announcement.

Rich Olsen stated that the unveiling of the new look and feel would be a good time in about 45 to 60 days.

Senator May stated that SIPA should work on organizing a big splash, and asked Rich Olsen to start thinking of a date.

Rich Olsen stated that he is hesitant to secure a specific date for launch because it looks negative if the launch date is incorrect by any amount of time.

Rich Olsen gave his contact information:

Rich Olsen

720-323-0052

richo@nicusa.com

Mark Church has moved to Denver permanently, and Rich Olsen will be moving here in the next couple of weeks.

Rich Olsen stated that he is very excited about the Colorado portal.

B. SysTest Presentation

Bob Halsey - project manager of the SysTest IV&V/PMO team - presented to the Board of Directors.

1. IV&V/ PMO Team

Bob Halsey explained the makeup and functionality of the team.

Project Management Office (PMO):

- Helps to fulfill some of SIPA's critical roles/staff functions
- Project schedule/ cost management
- Task Order management

Independent Verification and Validation (IV&V):

- Validation of SIPA's direction for applications (eyes and ears of project)
- Technical/business assessment
- Documentation reviews

Business Analytics, provided by Deloitte & Touche:

- Business case analysis
- Business needs assessments
- Financial analysis

Marketing, provided by BA&T

- Get the message to the people – public relations and communications
- Surveys and focus groups
- Research to verify portal resources are utilized correctly

Auditing, provided by Clifton Gunderson

- Verification of finances of the portal.

***All of these resources are provided on an as-needed basis.**

Discussion:

Donetta Davidson clarified that it is up to the Board to decide if SIPA would rather fill some of these roles with its own staff, which is why SIPA utilizes task orders.

2. Value Added So Far

- a. Lessons Learned
 - Other state portals
 - Contracting issues
- b. Review of NIC's Technical and Commercial proposal
- c. NIC's Self-Funded model analysis
- d. NIC Contract

- Applied lessons learned
- Contract was not as robust as it needed to be
- Review and comments in areas of concern
- e. Built positive rapport with NIC

3. PMO Task Order 2

As needed- not a free ticket, coincides with NIC's Annual Business Plan.

- a. Annual Business Plan Review
 - Initial review and gap analysis of outline in NIC contract
 - Periodic technical/business assessment reports
 - Final Assessment report
- b. Annual Business Plan areas of review:
 - Goals and objectives
 - Portal improvement plan (technical plan)
 - Portal marketing plan
 - Portal customer service plan
 - Portal ramp-up and infrastructure schedule
 - Project plan for online services
 - Portal staffing plan
 - Portal financial plan
- c. Project Status Reporting
 - Weekly reports
 - Monthly reports – overall project status
- d. Review of Colorado Interactive's Task Orders
- e. Develop internal communications plan
 - Audience roles and needs assessments
 - Communications content and channels utilized
 - Communication timing
 - Roles and responsibilities for preparation and dissemination of project information
- f. Develop risk management plan – living document
 - Identify current and potential risks
 - Categorize, quantify and prioritize risks
 - Risk mitigation strategies
 - Continual review and assessment
- g. Develop a quality assurance plan
 - Project quality management
 - Documentation
 - Standards
 - Reviews and testing procedures
 - Issue reporting and resolution procedures
- h. Project change control process
 - For changes in portal development
 - Developed with SIPA and NIC
- i. Document management

- eRoom administration
- Project calendars, contacts, discussion forums, presentations and various project notices
- Project plans, status reports, proposals and agreements, task orders and NIC project deliverables

4. Marketing Task Order

*Critical during early phases of the portal. Collaboration with SIPA, NIC and the PMO.

- a. Collaboration with SIPA, NIC and the PMO:
 - Set goals and objectives for marketing
 - Identify areas of overlap and differences between NIC and PMO marketing activities
 - Coordination of marketing activities for the portal.
- b. Marketing plans:
 - Strategic Marketing Plan
 - Tactical Marketing Plan
 - Tactical Public Relations and Communications Plan

Discussion:

Rep. Cadman stated that the Marketing Task Order seems independent of Colorado Interactive. It seems unclear as to how they fit.

Gregg Rippey stated that both the IV&V/PMO and Integrator RFP's called for marketing. He added that the SysTest portion of marketing would focus on the Board and out to the public, whereas NIC's marketing is more focused on the agencies. However, we still need to make sure that we are not duplicating efforts. He also stated that any money spent on these efforts would mean fewer applications for citizens.

Bob Halsey added that the reason for the collaboration and coordination among the aforementioned entities is to make sure that marketing efforts are not duplicative. He also added that the Marketing Task Order would have two parts. One part would be the strategic, broad overview portion; and the other part would be the tactical, operational portion where every detail is spelled out exactly. The Board can choose the parts that they want and don't want. Money is tied to each part, which is why everything is on an as needed, not to exceed basis. The Marketing Task Order is a planning task order.

Donetta Davidson asked if SIPA would be charged for time spent with NIC to coordinate these efforts.

Bob Halsey answered yes.

Greg Jenik expressed that he was concerned. The look and feel is tied to a time frame, and a large part of that is marketing or go-to market. He asked how the final project would be presented to the Board.

Bob Halsey stated that the process should be decided.

David Petrella, of SysTest Labs, stated that the contracts are going in two different directions. It is necessary to have a common goal and work together as a team instead of as separate entities. SysTest needs to be aligned with Colorado Interactive. If Colorado Interactive has a 120-day plan, then SysTest should also have a 120-day plan. SysTest needs to know the real schedule, and the IV&V/PMO work schedule will be adjusted to the work schedule of Colorado Interactive.

Donetta Davidson stated that this should be a presentation for the Board.

C. Amend By-Laws

Legal Counsel stated that there were two amendments suggested.

1. Page 4 – Add the statement, “If any Board member other than the Chair requests an opinion involving any material expenditure of time by Counsel, Counsel shall obtain Chair approval for the work.”
2. Fix a small typographical error on page six.

MOTION: To approve the amended by-laws.

Williams, T. / Jenik

APPROVED UNANIMOUSLY

D. Reimbursement Policy

Richard Westfall, Legal Counsel, stated that - by the request of the Board - he looked at the reimbursement policy of CHFFA (most similar entity to SIPA). CHFFA has been very helpful. Their policy was several pages long, and therefore Legal Counsel simplified it to a bare bones, reasonable policy. This policy would cover employees as well.

Discussion:

Ron May stated that legislators abide by the State policy.

Jack Arrowsmith stated that he is troubled by the term “should be reasonable”. He would like to make sure that items such as alcohol are excluded. Perhaps SIPA should use the State’s model.

Donetta Davidson stated that SIPA shouldn’t have a policy that is too detailed and ties hands. For example, sometimes rates vary immensely.

Ron May suggested that Legal Counsel look at the State Fair and other organizations. He also suggested that SIPA use the same form that the State uses and modify the title.

Legal Counsel recommended that the Board adopt the policy in front of them today so that there is a policy in place, and they can be amended if the Board wishes.

MOTION: To adopt the temporary SIPA Reimbursement Policy.

May/ Feingold

Discussion:

Representative Cadman stated that he agrees to get this policy adopted. It isn't necessary to make the policy too detailed. If a Board member has a burning issue, it should be discussed and resolved at that time.

Legal Counsel stated that maybe the executive directors on the Board have someone on their staff that is a whiz with these policies.

Michael Cooke stated that all agencies abide by the same reimbursement policy.

APPROVED UNANIMOUSLY

E. IMC-SIPA

Donetta Davidson stated that there is an IMC Rulemaking Hearing on June 30. It is necessary to protect the autonomy of the Authority, but we also want to collaborate, as standards are very important. The discussion was deferred to Executive Session.

VI. Agenda Items for Next Meeting

- Colorado Interactive Update
- SysTest Update
- Business Processes Update
- Annual Budget Update
- Communication Activities Update

Next meeting is scheduled for:

Thursday, July 7, 2005

1:30 p.m. – 4:00 p.m.

Legislative Services Building

200 E. 14th Ave.

Hearing Room A, 1st Floor

Denver, CO

VII. Adjournment

Chairperson Donetta Davidson called for a motion to adjourn the June 2, 2005 meeting of the Statewide Internet Portal Authority Board of Directors and move into Executive

Session with its attorney, Richard Westfall, for the purpose of discussing attorney-client privileged matters.

MOTION – to adjourn the June 2, 2005 meeting of the Statewide Internet Portal Authority Board of Directors and move into Executive Session with its attorney, Richard Westfall, for the purpose of discussing attorney-client privileged matters.

Jenik/Williams, T.

APPROVED UNANIMOUSLY

The regular meeting ended at 3:50 p.m.

VIII. Executive Session

The Board moved into Executive Session with its attorney, Richard Westfall, for the purpose of discussing attorney-client privileged matters.

MOTION: to adjourn the June 2, 2005 Executive Session of the Statewide Internet Portal Authority Board of Directors.

Cadman/ Cooke

APPROVED UNANIMOUSLY

The Executive Session adjourned at 5:40 p.m.